

**SECOND SUPPLEMENT TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS**

*Waterleaf
Annexation of Waterleaf Subdivision, Phase A, Section 3A*

THIS SECOND SUPPLEMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this "Second Supplement") is made and entered into effective as of the 23rd day of August, 2007, by **KB HOME LONE STAR INC.**, a Texas corporation, formerly known as, and successor-in-interest to, **KB HOME LONE STAR LP**, a Texas limited partnership ("Declarant").

WHEREAS, the Declarant filed for record that certain **Declaration of Covenants, Conditions and Restrictions for Waterleaf Subdivision, Phase A, Section 1**, on or about the 18th day of August, 2003 (the "Declaration") as Document Number 03026210 in the Real Property Records of Hays County, Texas (such property referenced in the Declaration with all property annexed to such property and subject to the Declaration, hereinafter, the "Original Property"); and

WHEREAS, Article 7.16 of the Declaration provides that the Declarant may annex property adjacent to or adjoining the Original Property or property adjacent to or adjoining property annexed to the Original Property in accordance with the terms and conditions set forth therein; and

WHEREAS, the Declarant filed for the record that certain **First Supplement to Declaration of Covenants, Conditions and Restrictions for Waterleaf Subdivision, Phase A, Section 2, and Waterleaf Subdivision, Phase B, Section 1 and Section 2** (the "First Supplement") on or about the 20th day of December, 2004, as Document Number 04035989 in the Real Property Records of Hays County, Texas; and

WHEREAS, the Declarant owns certain property located adjacent to the Original Property known as **Waterleaf Subdivision, Phase A, Section 3A**, as more particularly described in that certain Final Plat recorded on or about the 16th day of July, 2007, in Book 14, Page 77, *et seq.*, of the Real Property Records of Hays County, Texas; and (the "Supplemental Property") and;

WHEREAS, Declarant desires to annex the Supplemental Property, inclusive of any easements, reserves, and areas of common responsibility, with the Original Property so that the terms, covenants, conditions and restrictions set forth in the Declaration shall apply to the Supplemental Property; and

WHEREAS, unless otherwise provided in this Second Supplement, capitalized terms used herein but not otherwise defined shall have the same meaning as set forth in the Declaration.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt, adequacy and sufficiency of which is hereby acknowledged, Declarant hereby agrees to supplement the Declaration as follows:

1. **Second Supplement.** For all purposes contained herein, upon the date of recording of this Second Supplement, this Second Supplement shall incorporate all of the provisions in the First Supplement and the Declaration.

Received

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Division

2. Declaration in Effect. The foregoing recitations are true and correct.

3. Annexation of Supplemental Property. The Supplemental Property is hereby annexed into the Declaration and all terms, covenants conditions, and restrictions of the Declaration shall be applicable to the Supplemental Property, including but not limited to the obligation to pay dues, charges and assessments to the Association that are required to maintain common areas, entry features, landscaping, drainage and electrical easements, and screening walls including within the Supplemental Property or future property to be annexed with the Property.

4. No Further Changes. Except as expressly set forth herein, the Declaration shall remain unchanged and shall continue in full force and effect.

IN WITNESS WHEREOF, the Declarant has executed this Second Supplement as of the date and year first above written.

DECLARANT

KB HOME LONE STAR INC.,
a Texas corporation

By: [Signature]
Name: John Zinsmeyer
Title: Vice President

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 23rd day of August, 2007, by John Zinsmeyer, Vice President of KB HOME LONE STAR INC., a Texas corporation, on behalf of said corporation.

My Commission Expires:
July 3, 2010

[Signature]
Notary Public, State of Texas

After recording return to:
KB HOME LONE STAR INC.
Attn: Kim Todd
11911 Burnet Road
Austin, TX 78758



Filed for Record in:
Hays County
On: Aug 29, 2007 at 02:53P
Document Number: 70025679
Amount: 20.00
Receipt Number - 178140
By:
Rose Robinson, Deputy
Linda C. Fritsche, County Clerk
Hays County